450-3: INDUSTRIAL ORGANIZATION AND PRICES III  
Spring 2019

This course sequence provides a graduate-level introduction to Industrial Organization (IO). It is designed to provide a broad introduction to topics and industries that current researchers are studying as well as to expose students to a wide variety of techniques. It will start the process of preparing Ph.D. students to conduct thesis research in the area.

**Lectures:** Monday/Wednesday 9:00-10:50, KGH 3301

**Course Web Page:** see Canvas

Grading will be based on several problem sets and a final exam. We will not discuss all of the papers on the reading list, but *we expect you to read all of the papers we discuss in detail in class.*

The following abbreviations are used for journal titles:

- **AER** American Economic Review
- **AEJ: Micro** American Economic Journal: Microeconomics
- **BJE** Bell Journal of Economics
- **BPEA** Brookings Papers on Economic Activity
- **EMA** Econometrica
- **IER** International Economic Review
- **IJIO** International Journal of Industrial Organization
- **JE** Journal of Econometrics
- **JEH** Journal of Economic History
- **JEL** Journal of Economic Literature
- **JEMS** Journal of Economics & Management Strategy
- **JEP** Journal of Economic Perspectives
- **JET** Journal of Economic Theory
- **JIE** Journal of Industrial Economics
- **JLE** Journal of Law and Economics
- **JPE** Journal of Political Economy
- **QJE** Quarterly Journal of Economics
- **QME** Quantitative Marketing and Economics
- **ReStud** Review of Economic Studies
- **RJE** Rand Journal of Economics
I. General References


II. Collusion and Cartels (Porter)

1. Tests of Market Power


2. Repeated Interaction


3. Collusion


**III. Advertising and Information Disclosure (Porter)**


R. McDevitt, “‘A’ Business by Any Other Name: Firm Name Choice as a Signal of Firm Quality,” JPE, August 2014, 909-44.


IV. Auctions

1. Structural Analysis of the Standard Model (Porter)

Theory


Empirics


2. Tests of the Theory (Porter)


3. Unobserved Heterogeneity (Bhattacharya)


4. Participation Effects in Auctions (Bhattacharya)


5. **Other Extensions of the Standard Model (Bhattacharya)**


6. Dynamics in Auctions


7. Auctions of Multiple Objects


8. Collusion in Auctions (Bhattacharya)


* K. Kawai and J. Nakabayashi, “Detecting Large-Scale Collusion in Procurement Auctions,”


518-38.


K. Schurter, “Identification and Inference in First-Price Auctions with Collusion,” mimeo, Penn 
State, 2017.

V. **Empirics of Matching (Bhattacharya)**

A. Abdulkadiroglu, J. Angrist, Y. Narita, and P. Pathak, “Research Design Meets Market 
Design: Using Centralized Assignment for Impact Evaluation,” Econometrica, 
September 2017, 1373-1432.

Assignment: The Welfare Effects of the NYC High School Match,” AER, December 
2017, 3635-89.


2017, 685-728.

* N. Agarwal and P. Somaini, “Demand Analysis Using Strategic Reports: An Application to a 


J. Fox, C. Yang, and D. Hsu, “Unobserved Heterogeneity in Matching Games,” JPE, August 2018, 1339-1373.


VI. Bargaining and Vertical Relationships (Bhattacharya)

1. Theory


2. Empirics


**VII. Structural Models of R&D (Bhattacharya)**

1. **Models of R&D**


2. Learning


